

ANNUAL REPORT 2022

Baa Atoll Conservation Fund

The year 2022 was a significant year for the Baa Atoll Biosphere Reserve and the Baa Atoll Conservation Fund (BACF), marking the 10th anniversary of Baa Atoll's designation as a UNESCO Biosphere Reserve**.**

The anniversary provided an important opportunity to reflect on the achievements of the first decade of the Biosphere Reserve and to consider the priorities required to strengthen conservation, sustainable development, research, education and community participation during the years ahead.

During the year, the Baa Atoll Conservation Fund continued to support activities contributing to the objectives of the Biosphere Reserve. Protected-area management remained a major focus, with continued management of Hanifaru and other protected areas. The regulated access system, tour guide programme, research activities and management of photography and videography activities contributed to the sustainable use of these internationally important marine areas.

The year also marked an important stage in the UNESCO Periodic Review of the Baa Atoll Biosphere Reserve**.** The Periodic Review provides an opportunity to assess the progress of the Reserve against the functions and criteria of UNESCO's Man and the Biosphere Programme and to document developments in conservation, sustainable development, research, monitoring, education, governance and stakeholder participation.

BACF also continued to support community development. The completion of a two-bedroom apartment in Hithaadhoo formed part of the wider initiative to develop two-bedroom apartment facilities across all 13 inhabited islands of Baa Atoll, following the endorsement of the BACF Board in 2020.

Financially, the Fund maintained a sound position during 2022. Income from access permits, partnership fees, tour guide examination registration and photography and videography permits provided the resources necessary to meet operational expenditure while maintaining a substantial reserve for future conservation and sustainable-development activities.

The closing running capital of MVR 12,395,539.07 provides a strong foundation for continued investment in the objectives of the Baa Atoll Biosphere Reserve.

This Annual Report presents the key activities, achievements and financial performance of BACF during 2022.

Abdulla Shibau
Baa Atoll Conservation Fund

2. ABOUT THE BAA ATOLL CONSERVATION FUND

The Baa Atoll Conservation Fund (BACF) is a Trust Fund established on 18 April 2012 under the Public Finance Act (Act No. 3/2006) of the Republic of Maldives.

The Fund is governed by a Board of Directors and managed by the Fund Manager/Managing Director in accordance with its founding documents, Rules of Procedure and applicable laws and regulations.

The principal purpose of BACF is to co-finance activities that contribute to making Baa Atoll a world-class model of atoll ecosystem conservation, consistent with its designation as a **UNESCO Biosphere Reserve**.

BACF supports activities relating to:

- conservation of biodiversity and ecosystems;
- protected-area management;
- research and monitoring;
- environmental education and awareness;
- sustainable livelihoods;
- community development;
- sustainable tourism; and
- other activities contributing to the objectives of the Baa Atoll Biosphere Reserve.

3. 10TH ANNIVERSARY AND UNESCO PERIODIC REVIEW OF THE BAA ATOLL BIOSPHERE RESERVE

The year 2022 marked the 10th anniversary of Baa Atoll's designation as a UNESCO Biosphere Reserve and was a landmark year for the Reserve, as UNESCO confirmed the continuation of its Biosphere Reserve status for another 10 years. Baa Atoll had initially made history by becoming the Maldives' first UNESCO Biosphere Reserve on 28 June 2011**.** The designation established an integrated framework for balancing biodiversity conservation with sustainable development, recognising the importance of protecting Baa Atoll's globally significant marine and terrestrial ecosystems while supporting the communities and economic activities that depend upon its natural resources. The tenth anniversary provided an opportunity to reflect on the progress achieved during the first decade and to assess the effectiveness of conservation, sustainable development, research, monitoring and stakeholder participation across the Reserve.

As part of UNESCO's 10-year Periodic Review, the Baa Atoll Biosphere Reserve Secretariat submitted the required review documentation and additional information in September 2021, supported by ecological surveys and evidence demonstrating progress in the conservation and sustainable management of the Reserve's marine ecosystems, house reefs and flagship sites. The submission was considered by the 28th International Advisory Committee for Biosphere Reserves**,** held from 28 February to 4 March 2022**,** which provided recommendations on the review. Subsequently, at the 34th session of the International Coordinating Council of the Man and the Biosphere (MAB ICC)**,** held **from** 13–17 June 2022 in Paris, France, the Council reviewed the 10-year Periodic Review and additional information submitted by Baa Atoll.

The MAB ICC concluded that, taking into consideration the complementary information provided, Baa Atoll Biosphere Reserve meets the criteria for a UNESCO Biosphere Reserve under the Statutory Framework of the World Network of Biosphere Reserves (WNBR)**,** confirming the continuation of its status for the next 10 years.

The successful outcome was a significant achievement for Baa Atoll and the Maldives and reflected the collective efforts of government institutions, the Biosphere Reserve Office, local councils and communities, tourism stakeholders, researchers and other partners. The completion of the review was particularly notable given the challenges posed by the COVID-19 pandemic and associated travel restrictions**.** The successful renewal of the status

reaffirmed Baa Atoll's international importance and provided a strong foundation for strengthening conservation, sustainable development, research and community participation during the next decade.

4. PROTECTED-AREA MANAGEMENT

Protected-area management remained a key component of conservation and sustainable tourism activities in Baa Atoll during 2022. A total of **13,872 entries** were recorded across the three principal protected-area regions, comprising **12,070 entries in the Hanifaru Region, 1,029 in the Mendhoo Region and 773 in the Olhugiri Region**.

Protected Area Region	Entries
Hanifaru Region	12,070
Mendhoo Region	1,029
Olhugiri Region	773
Total	**13,872**

The visitor figures highlight the continued importance of Baa Atoll's protected areas for biodiversity conservation, environmental awareness and sustainable tourism. Hanifaru remained the most visited protected area, reflecting its international significance as a marine biodiversity site and renowned manta ray aggregation area, while the continued management of Mendhoo and Olhugiri contributed to the broader conservation objectives of the Baa Atoll Biosphere Reserve.

5.TOUR GUIDE DEVELOPMENT

Tour guides are an important part of the protected-area management system, and during 2022, 73 new Hanifaru tour guides were registered/qualified. Qualified guides contribute to responsible tourism by helping visitors understand the ecological significance of Hanifaru, explaining applicable rules, encouraging appropriate behaviour and ensuring compliance with protected-area requirements, while the continued development of local guiding capacity creates opportunities for communities to participate directly in the sustainable tourism economy.

6. RESEARCH AND MONITORING

Research activities at Hanifaru Bay continued during 2022, supporting the Biosphere Reserve's research and monitoring function by generating information on ecosystem conditions, species behaviour and tourism pressures. The findings contribute to evidence-based protected-area management and informed decisions on conservation and sustainable tourism.

7. PARTNERSHIPS WITH THE TOURISM SECTOR

Partnerships with tourism stakeholders continued during 2022, with 10 partnership agreements involving 1 resort, 3 guesthouses and 9 dive schools**.** These partnerships demonstrate the tourism sector's continued engagement in supporting conservation and the objectives of the Baa Atoll Biosphere Reserve, while the associated partnership contributions provide an important source of income for BACF and establish a direct financial link between tourism activities and conservation.

8. COMMUNITY DEVELOPMENT and LIVELIHOOD

Hithaadhoo Two-Bedroom Apartment

The BACF-supported two-bedroom apartment development programme, endorsed by the BACF Board in 2019, was implemented across the 13 inhabited islands of Baa Atoll as a community development initiative.

By the end of 2021, two-bedroom apartments had been completed on the other 12 inhabited islands of Baa Atoll. During 2022, the remaining apartment project in Hithaadhoo was completed, thereby completing the development of two-bedroom apartments across all 13 inhabited islands of Baa Atoll.

The initiative represents a significant investment in community infrastructure and provides a direct source of income to the communities through the use and rental of the apartments. The facilities create opportunities for local communities to generate revenue from accommodation while strengthening their participation in tourism and other sustainable economic activities.

The completion of the programme across all 13 inhabited islands demonstrates BACF's commitment to ensuring that the economic benefits associated with sustainable tourism and the Biosphere Reserve are distributed more widely among local communities throughout Baa Atoll.

9. FINANCIAL PERFORMANCE

9.1 Opening Capital

During the year, the Fund generated total income of **MVR 3,349,400.05**. Income was primarily generated through Hanifaru Access Permits, Biosphere Reserve partnership fees, tour guide examination registration fees, and photography and videography permits.

Total expenditure for the year amounted to **MVR 1,117,631.03**, resulting in an income surplus of **MVR 2,231769.02**.

As a result, the running capital of BACF increased to **MVR 14,347,731.07** at the end of 2022.

9.2 Income

BACF generated total income of **MVR 3,349,400.05**

Running Capital BACF end 2021	**10,163,770.05**
Income	
Sale of Access Permits	2,770,115.99
BR Partnership Fees	
Resorts, Dives Schools and Liveaboards	445,580.00
Tour Guide Exam Registration Fees	20,170.00
Photography and Videography permits	113,534.06
Others	
Total Income	**3,349,400.05**

The largest source of income was the sale of **Hanifaru Access Permits**, demonstrating the importance of sustainable visitor management and associated conservation financing within the Biosphere Reserve.

9.3 Expenditure

BACF Management Costs	
Salary and Allowances	**576,783.37**

Travel and Transport	
Internal/Sea	198,010.00
Internal/Air	8,029.34
Overseas Travel	2,305.50
	208,344.84
OFFICE Management Costs	
Services for Office Operation	30,000.00
Office Equipment	24,742.03
Office Stationery	24,883.79
Meeting,Workshops and Seminars	700.00
Fuel Costs	168,027.00
Furniture and Fittings	1,595.00
	249,947.82
Maintenance	
Office Maintenane	24,850.00
BR Vessel	4,615.00
Others	600.00
	30,065.00
Procurement of Goods	
Machinery and Equipment	29,990.00
IT related hardware	22,500.00
	52,490.00
Total Expenditure	**1,117,631.03**

Total expenditure during 2022 amounted to **MVR 1,117,631.03**

10. FINANCIAL POSITION

Financial Indicator	Amount (MVR)
Opening Running Capital	10,163,770.05
Total Income	3,349,400.05
Total Expenditure	(1,117,631.03)
Income Less Expenditure	**2,231,769.02**
Closing Running Capital	**12,395,539.07**

The Fund therefore recorded a positive income-to-expenditure balance of **MVR 2,231,769.02**

The closing running capital at the end of 2022 was **MVR 12,395,539.07**

This financial position provided BACF with a sound foundation for continued investment in conservation, protected-area management, research, education and community development.

The increase in running capital provides BACF with a stronger financial foundation to support future conservation, community and sustainable development initiatives within the Baa Atoll Biosphere Reserve.

11. CONCLUSION

The year 2022 represented an important milestone in the development of the Baa Atoll Biosphere Reserve.

The tenth anniversary of the designation provided an opportunity to reflect on the progress achieved during the first decade and to strengthen the foundation for the next phase of the Reserve.

The continued management of Hanifaru and other protected areas, development of local tour-guide capacity, ongoing research, partnerships with the tourism industry and community-development projects demonstrate the continued integration of conservation and sustainable development across Baa Atoll.

The UNESCO Periodic Review provided an important framework for assessing these achievements against the objectives of the Man and the Biosphere Programme and for identifying areas requiring further development.

BACF continued to play a supporting role by providing financial resources for conservation, community development and other activities aligned with the objectives of the Biosphere Reserve.

With a closing running capital of **MVR 12,395,539.07**, the Fund ended 2022 with a strong financial base from which to continue supporting the long-term conservation and sustainable development of Baa Atoll.

The achievements of 2022 therefore provided an important foundation for the continued development of Baa Atoll as a model for integrated atoll ecosystem conservation and sustainable development.



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